



New Jersey Department of Children and Families Policy Manual

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Purpose of the Flexible Fund

3-7-2011

The Flexible Fund - "Flex Funds" - is a source of money accessible to casework staff at the Local Office level and to the Office of Adoption Operations, to meet the unique needs of a child, birth family, or resource family. There is one Flex Fund account per office. Funds for Local Office accounts are allocated by the Area Business Manager each fiscal year.

Flex Fund policies apply to the Office of Adoptions Flexible Fund account. Exception approval of the Assistant Director, CP&P, Office of Adoption Operations, is required, in writing, if additional Flexible Funds are needed, beyond the annual limit per case, to address the needs of a particular child or his or her adoptive parent(s).

This fund is as named - FLEXIBLE - meant to provide enrichment for children and families, to enable agency clients to purchase needed items, goods, or services that they would not otherwise be able to experience.

Use the fund to meet the unique needs of the child and family, whether the family is residing together, or the child is in placement. Casework staff access the fund to ensure that families are able to provide appropriate care for children, to fortify family preservation, to avoid the disruption of otherwise stable and appropriate placements, and to facilitate child-family reunification, where appropriate.

The fund serves to enhance the quality of life of a CP&P client family. The Flexible Fund is less restrictive than other funding sources accessible to client families. The assigned Worker, in striving to help meet the needs of the family, is directed to seek funding through other sources first, before resorting to this important resource.

Flex Funds are a temporary, timely means to fulfill an exceptional service need, used in a short-term capacity, to allow time to develop a sustained source of funding for a family or child service.

Workers use the Flex Fund to obtain necessary services to support the Case Plan, when existing contracts and/or emergency sources cannot be accessed in a reasonable amount of time, are not in reasonable proximity to the child or family, or are insufficient or unavailable to address the needs of a child and family.

Services supported by Flex Funds are time limited and must be reviewed as part of the individualized Case Plan, Safety Protection Plan, Family Team Meeting, Strengths and Needs Assessment, or other appropriate planning process to assess continued usage. Support services build upon family strengths and natural supports.

Service Principles

1-1-2011

Consider the following principles when requesting Flex Funds:

- Keep a child safe;
- Ensure a child's well-being;
- Prevent an out-of-home placement;
- Stabilize a child's placement;
- Promote family reunification; and
- Help to achieve tasks established in Family Team Meetings.

Along with the provision of Flex Funds, assess:

- The specific need to be addressed by the use of Flex Funds;
- Whether the requested service can effectively address the identified need;
- The agreement of the family and child (if appropriate) to participate in the service; and
- The capacity of the child and/or family to effectively utilize the service.

Use of the Flex Fund

7-30-2014

Use existing resources prior to requesting Flex Funds. Determine that the needed service is unavailable through the:

- Medicaid program, [CP&P-V-A-2-100](#),
- Temporary Assistance to Needy Families (TANF) program, [CP&P-II-B-1-125](#),

- Supplemental Security Income benefits. See [CP&P-IX-F-1-250](#), Trust Fund for SSI Recipients,
- Other Federal government benefits. See [CP&P-IX-F-1-250](#),
- Other appropriate Federal, State, local or community-based resources, or
- The LOBA Fund, [CP&P-IX-F-1-300](#).

Work closely with DCF/CP&P Contract and Resource Development staff, community partners, and stakeholders to ensure that all existing funding sources have been identified, explored, and maximized prior to using Flex Funds.

A Worker requesting Flex Funds must explore the client's eligibility for emergency or other assistance through County or Municipal Welfare. If the client is denied such assistance, the Worker records the name of the agency representative who made the denial, the date of the denial, as well as the reason for the denial. If possible, obtain a written statement of denial from the agency.

The Worker documents in the electronic case record, in a Contact Activity Note, his or her efforts made to secure goods or services or funding from all sources, including, but not limited to, home energy assistance programs, rental assistance, FEMA, and homeless services. Enter this information as "justification" when requesting Flex Funds through the Office Account Payment Request window via NJ SPIRIT.

If a required service falls outside the fiscal contract or time limits set by other emergency funds guidelines, Local Offices may access Flex Funds rather than splitting the cost of a particular service between various funds.

When a Flex Fund request conflicts with existing DCF or CP&P contract requirements, the contract requirements prevail.

When a "contracted" provider identifies a service need and renders service, he or she submits charges for the service on his or her monthly CP&P Form [K-100](#), Billing Spreadsheet, to the appropriate Local Office via the "[Secure Billing](#)" process, rather than through Flex Funding. Do not use Flex Funds to supplement or enhance a service provider's contracted rate for goods or services.

See sections "Flex Fund Expenditures" and "Flex Fund Expenditures, Expense Category Items/Examples," that follow for allowable services that may be funded with Flex Funds.

Flex Fund Expenditures

9-12-2011

Flex Fund expenditures, as listed in NJS, "Purchase/Service Description," include:

- Child Care (including Respite) – Camp;
- Child Care (including Respite) - Child Care (not Summer camp);
- Child Care (including Respite) - Respite and Babysitting;
- Child Transportation - Transportation (Child Only) [To pay for an adult's transportation, use "Support - Transportation (Non-Child)"];
- Clothing;
- Education - Computers and Accessories;
- Education;
- Education - Parenting/Training Classes;
- Enrichment - Activity and Membership Fees;
- Enrichment - Bicycle and Safety Gear;
- Enrichment - Driving Lessons;
- Enrichment - Entertainment and Games;
- Enrichment - School Fees and Supplies;
- Enrichment - Sport Fees;
- Enrichment – Vacation;
- Food;
- Furnishing/Appliances;
- Furnishing/Appliances - Bed and Bedding Supplies;
- Furnishing/Appliances – Furniture;
- Housing - Home Maintenance and Upgrades;
- Housing – Utilities;
- Luggage;
- Medical and Dental – Dental;

- Medical and Dental - Eye Care;
- Medical and Dental – Medical;
- Medical and Dental - Psychological Therapy;
- Other - (use "other" if no other category applies);
- Support - Baby Items;
- Support - Car Seat;
- Support - Child Safety;
- Support - Financial Assistance;
- Support – Funeral;
- Support – Legal;
- Support - Rent/Mortgage Assistance;
- Support - Transportation (Non-Child) [To pay for a child's transportation, use "Child Transportation - Transportation (Child Only)"];

One-time assistance with initial down payments or other monthly household expenses may be considered. Strongly consider a referral to a non-profit organization that provides budget planning and financial counseling when utilizing Flex Funds for such purposes.

If using Flex Funds to pay for a housing Security Deposit, a refund is required. The landlord is required to pay interest on that security to CP&P, the client, and/or the resource parent when the family vacates the premises. The Worker documents this commitment in writing, via CP&P Form [16-35](#), Security Deposit Agreement, indicating that moneys will be returned, even if the CP&P case is closed. Ideally, the landlord reimburses deposit moneys, with interest, directly to the CP&P Local Office. If the landlord chooses to provide the security funds to the client or resource family instead, it becomes the responsibility of the client or the resource parent to return the funds to CP&P. To accompany the incoming refund, Workers document receipt of the funds via CP&P Form [16-24](#), Local Office Bank Account Disposition/Refund Support.

Flex Fund Expenditures, Expense Category Items/Examples 9-24-2012

For examples of items, goods, or services to be purchased with Flex Funds, click here to view the chart, [Flex Fund Expenditures - EXPENSE CATEGORY ITEMS/EXAMPLES](#).

Service Limitation

1-1-2011

Flex Funds may not be used to:

- Support unlicensed community-based placements or unlicensed, out-of-state residential placements;
- Secure credit or a loan;
- Satisfy any loans, debt, fines, motor vehicle violation/ticket, income taxes, credit, or other legal or financial obligations;
- Purchase a gift card;
- Purchase or pay for a cell phone or cell phone minutes;
- Purchase illegal substances;
- Purchase weapons or firearms;
- Supplement existing DCF established rates or fee structure for services; or
- Supplement or enhance a provider's contracted rate.

A request for funding for the purchase of a motor vehicle is prohibited.

The recipient of a check generated from the Flex Fund is prohibited from using the bank information on the check to make electronic payments or purchases over the telephone or on the internet.

Determining Appropriate Costs/Flex Fund Fiscal Limitations 3-7-2011

Use the rule of "reasonableness" to determine the appropriate costs of a service. If helpful, the Local Office consults the Area Office to determine reasonable costs for a given service in that jurisdiction. The Area Office uses existing contract rates as a guide, and consults the Area Business Office, if necessary.

Existing DCF contract requirements prevail over a conflict with a Flex Fund request or vendor.

The intent of providing general guidelines for use of the Flex Fund is not to limit funding, but to ensure that Flex Funds are available to the large number of children and families served by CP&P.

The following limits apply for use of Flexible Funds per case per 12-month period:

- Child's well-being - \$500.00
Area Director or designee exception approval is required, in writing, if additional Flex Funds are needed to address child well-being.
- Resource family - \$1,000.00
Area Director or designee exception approval is required, in writing, if additional Flex Funds are needed to support a resource family.
- Birth family - \$8,634.00
This limit for birth families is firm. It cannot be exceeded.
NJS will issue an automatic validation message if the moneys requested exceed the established limit during the 12-month period.

The Flexible Fund may pay for a particular service for a) a child or individual family member for no longer than three (3) months; or b) a birth family for no longer than twelve (12) months, unless the service is continued by the written exception approval of the Local Office Manager or Area Director. If services are needed beyond these limits, seek another method of payment. Flex Funds are to be used to satisfy short term, emergent needs only.

The 12 months established spending limits are calculated by NJSPIRIT (NJS) per Case ID. NJS calculates 12 months back from the current system date to determine if the current payment being processed will exceed the fund limit (total payments issued for the Case ID from the current date (365-1) exceed the fund limit then the user is given a pop-up message to obtain exceptional approval or the user will be denied processing of the current payment. Upon documented higher approval User is required to enter the approval date on the Manual Check Window "Exceptional Date" field with the exception of the limits stated in policy as being "firm." Those limits cannot be exceeded.

The "cost" of purchasing goods or services to benefit all children placed in a resource family home can be shared by the individual children placed therein, with Flex Fund costs "charged" to each child's separate CP&P case. Separate checks, attributed to the separate case numbers, may be issued through the Flex Fund. (This may be particularly beneficial, if the total price for the goods or services to be purchased exceed the "per case" Flex Fund limit.)

When purchasing goods or services to benefit a birth family, list each case participant who will reap those benefits. NJ SPIRIT will automatically distribute the "costs" between the family members.

Procedures for Requesting Flex Funds Via NJ SPIRIT 1-1-2011

When requesting access to the Flex Fund, follow Local Office Bank Account (LOBA) procedures. Workers are no longer required to complete the Special Approval Request (SAR) form, CP&P Form [16-76](#), when requesting Flex Funds. The process is completed entirely in NJS windows.

The assigned Worker, with proper NJS security authorization - or staff acting on behalf of the Worker, who seek Flex Funds for a child or family - request Flex Funds by accessing the Office Account Payment Request window in NJS:

- Identify the payee in the "Payee Information" group box. (Unlike LOBA, a Flex Fund check cannot be made out to a CP&P Worker or employee; i.e., CP&P cannot be the payee. Another payee will need to be named.)
- In the "Payment Method" dropdown, in the "Service Information" group box, select "Flex Funds."
- Selecting "Flex Funds" will disable the Subservice Component. The User must click the Purchase/Service hyperlink to select the purchase or service applicable to the request for funds. (Once a selection is made on this window, NJS will populate the Subservice Component Field from the selection made by the user.)
- The Flex Funds group box will become "enabled" and "required." Select one radio button only (Child Well-Being, Resource Family, or Birth Family). Check the Family Team Meeting check box, when appropriate.
- If "Other" is selected, the "other" field becomes "required," providing a place to explain the service request.
- Identify "case participants" - children, parents, and family members in "active" case status who will directly benefit by the Flex Fund purchase.
- Enter text in the "Justification" field (required).

NJS generates expenditure reports, to monitor use of these funds state wide. See "How Do I" guide, "FLEX FUND REQUEST, Local Office Bank Account," for complete, step-by-step instructions for completing the window.

Printing the Flex Fund Check

1-1-2011

The LO Bank Account Clerk (Custodian) is responsible for printing checks from the Flex Fund. NJS Internal Controls ensure checks are printed by the Custodian only. The Manual Check > Payment Selection windows can only be accessed by the Custodian, who meets a specified security profile in NJ SPIRIT. At no time can a staff member be authorized in NJSPIRIT to print a check and also be authorized by the LO to be a signer

on the bank account. This is a conflict of duties and reflects poor internal controls. Separation of duties must be maintained.

See "How Do I" guide, "FLEX FUND REQUEST, Local Office Bank Account," for instructions on printing Flex Fund checks.

Approvals

1-1-2011

NJ SPIRIT requires three (3) levels of approval. Only Local Office Manager or designee approval must be applied in NJS for the request to be considered "FULLY" approved in emergency situations.

"Approvals" are found in the "Options" dropdown on the Office Account Payment Request window:

Related Policy/Other Funding Sources

1-1-2011

For policy on other funding sources to explore before seeking Flex Funds, see:

- [CP&P-IX-F-1-250](#), Federal Benefits
- [CP&P-II-C-2-500](#), Initial Crisis - Emergency Assistance
- [CP&P-IX-F-2-200](#), Financial Considerations
- [CP&P-II-B-1-125](#), Section titled Referrals of Homelessness and Inadequate Shelter
- [CP&P-II-B-1-125](#), Section titled WFNJ-TANF Emergency Assistance from the CWA When Foster Placement Is Imminent Due to Inadequate Shelter
- [CP&P-VIII-F-1-700](#), Emergency Child Care Funds for Birth Families
- [CP&P-III-C-2-100](#), Utilization of PRS Contracts for Children
- [CP&P-VI-B-1-300](#), Adolescent Services Toward Self-Sufficiency and John Chafee Foster Care Independence Program
- [CP&P-V-A-2-100](#), Medicaid and Services Authorized Through Medicaid
- [CP&P-V-A-3-500](#), Medicaid Extension for Young Adults (MEYA)